

SENATE RECORD VOTE ANALYSIS

104th Congress
2nd Session

Vote No. 73

April 18, 1996, 4:48 p.m.
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HEALTH INSURANCE REFORM/Health Care Tax Reforms

SUBJECT: Health Insurance Reform Act of 1996 . . . S. 1028. Dole/Roth modified amendment No. 3676, as amended.

ACTION: AMENDMENT AGREED TO, 98-0

SYNOPSIS: As reported with an amendment in the nature of a substitute, S. 1028, the Health Insurance Reform Act of 1996, will make health insurance more accessible, portable, and renewable.

The Dole/Roth modified amendment, as amended, would enact tax-related health care reforms as detailed below.

- Self-employed deduction: the deduction of health care expenses for the self-employed would be increased from the current 30 percent by 5 percent per year until it reached 80 percent in the year 2006, at which level it would remain.

- Long-term care insurance: long-term care insurance and expenses would be given the same deductibility as accident and health insurance contracts; long-term care policies would meet consumer protection standards to make sure that they paid adequately for quality long-term care when needed.

- Life-insurance withdrawals: terminally and chronically ill individuals would be permitted to take tax-free withdrawals from their life insurance policies to pay their medical expenses.

- Investment Retirement Account (IRA) withdrawals: penalty-free withdrawals from IRAs would be allowed to buy health and long-term care insurance and to pay for major medical expenses.

- High-risk pools: State-sponsored, high-risk health insurance pools would be tax-exempt.

- Medicare fraud: numerous reforms to reduce Medicare waste, fraud, and abuse would be enacted (as proposed by Senator Cohen and as agreed to by the Administration, health care providers, and consumer groups); these Medicare reforms would result in \$3 billion in savings over 7 years.

To pay for the cost of the tax deductions that it would provide, the Dole/Roth amendment would enact the following offsets:

- tax rules on expatriates would be revised; and
- an interest deduction for loans with respect to company-owned insurance would be denied.

(See other side)

YEAS (98)				NAYS (0)		NOT VOTING (2)	
Republican (51 or 100%)		Democrats (47 or 100%)		Republicans (0 or 0%)	Democrats (0 or 0%)	Republicans (2)	Democrats (0)
Abraham	Helms	Akaka	Inouye			Campbell- ²	
Ashcroft	Hutchison	Baucus	Johnston			Mack- ²	
Bennett	Inhofe	Biden	Kennedy				
Bond	Jeffords	Bingaman	Kerrey				
Brown	Kassebaum	Boxer	Kerry				
Burns	Kempthorne	Bradley	Kohl				
Chafee	Kyl	Breaux	Lautenberg				
Coats	Lott	Bryan	Leahy				
Cochran	Lugar	Bumpers	Levin				
Cohen	McCain	Byrd	Lieberman				
Coverdell	McConnell	Conrad	Mikulski				
Craig	Murkowski	Daschle	Moseley-Braun				
D'Amato	Nickles	Dodd	Moynihan				
DeWine	Pressler	Dorgan	Murray				
Dole	Roth	Exon	Nunn				
Domenici	Santorum	Feingold	Pell				
Faircloth	Shelby	Feinstein	Pryor				
Frist	Simpson	Ford	Reid				
Gorton	Smith	Glenn	Robb				
Gramm	Snowe	Graham	Rockefeller				
Grams	Specter	Harkin	Sarbanes				
Grassley	Stevens	Heflin	Simon				
Gregg	Thomas	Hollings	Wellstone				
Hatch	Thompson		Wyden				
Hatfield	Thurmond						
	Warner						

EXPLANATION OF ABSENCE:

- 1—Official Business
2—Necessarily Absent
3—Illness
4—Other

SYMBOLS:

- AY—Announced Yea
AN—Announced Nay
PY—Paired Yea
PN—Paired Nay

Those favoring the amendment, as amended, contended:

The Dole/Roth amendment would make tax code changes to eliminate many of the existing financial barriers to affordable health insurance and long-term care insurance. Those changes would induce more Americans to assume greater responsibility for meeting their own health care needs instead of relying on the Federal Government. The costs of this amendment to a large extent would be recouped by this decreased reliance on Federal assistance. However, those savings would not be assumed--instead, numerous other provisions, including proposals to reduce Medicare fraud, would be enacted to offset fully the cost of these tax code changes. Many of us are very disappointed that the medical savings account provisions were stricken on a very close vote, but we are heartened that the remaining proposals in the amendment, which are also substantive, have wide support. We note that the House strongly supports medical savings accounts, and we are thus hopeful that a compromise position will be arrived at in conference that will restore some version of them. For now, we urge our colleagues to vote in favor of the Dole/Roth amendment, as amended.

No arguments were expressed in opposition to the amendment.